

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. NO.: 4386-03
BILL NO.: HCS for HB 1942
SUBJECT: Financial Institutions
TYPE: Original
DATE: February 23, 2000

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
None	\$0	\$0	\$0
Total Estimated Net Effect on <u>All</u> State Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
None	\$0	\$0	\$0
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
Local Government	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 4 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials of the **Office of State Courts Administrator** assume the proposal would have no fiscal impact to the courts.

Officials of the **Department of Economic Development - Divisions of Finance and Credit Unions** assume the proposal would have no fiscal impact to their agencies.

Officials of the **Department of Revenue** assume the proposal will require programming modifications to the Field Automated System for Titling and Registrations (FASTR); however, the Motor Vehicle Bureau anticipates that it will be minimal impact and could be implemented with existing resources.

	FY 2001 (10 Mo.)	FY 2002	FY 2003
<u>FISCAL IMPACT - State Government</u>			
	\$0	\$0	\$0
	FY 2001 (10 Mo.)	FY 2002	FY 2003
<u>FISCAL IMPACT - Local Government</u>			
	\$0	\$0	\$0

FISCAL IMPACT - Small Business

Small businesses could be fiscally impacted by this proposal.

DESCRIPTION

This proposal contains provisions relating to banking as follows:

- (1) Establishes a fee of \$2.50 for agents of the Department of Revenue for notice of a lien processed;
- (2) Requires that lien notices on motor vehicles, boats, personal watercraft, outboard motors, and trailers contain the name and address of the owner, a description of the vehicle, including the identification number, and other information prescribed by the Department of Revenue;

DESCRIPTION (continued)

- (3) Allows lienholders to secure future advances on existing liens on motor vehicles, boats, personal watercraft, outboard motors, and trailers if the lienholder files a notice reflecting the intent to secure future advances. Liens to secure future advances are perfected in the same time and manner as any other lien. Proof of liens to secure future advances is maintained with the Department of Revenue;
- (4) Allows banks and trust companies to operate in the same manner as other corporations when dealing with matters not relating to the internal affairs of a bank and trust company organized under Chapter 362, RSMo;
- (5) Requires that the notification for annual bank stockholders meetings be done by first class mail;
- (6) Allows foreign corporations to open trust representative offices. These offices will not be considered branches;
- (7) Allows bank holding companies to become financial holding companies;
- (8) Establishes a standardized form regarding durable power of attorney, known as the "Missouri Statutory Short Form Durable Power of Attorney for Property and Accounts Act." The act contains certain categories of powers, those being real estate transactions, account transactions, stock and bond transactions, tangible personal property transactions, safe deposit box transactions, insurance and annuity transactions, retirement plan transactions, tax matters, borrowing transactions, and estate transactions;
- (9) Excludes fees charged for necessary services performed in connection with residential real estate loans and second mortgages from the determination of annual percentage rates; and
- (10) Updates the statutes relating to garnishments.

The proposal contains penalty provisions.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Economic Development - Divisions of Finance and Credit Unions

PLH:LR:OD:005 (9-94)

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Office of State Courts Administrator
Department of Revenue

A handwritten signature in black ink, appearing to read "Jeanne Jarrett". The signature is stylized with a large initial "J" and a cursive "e" at the end.

Jeanne Jarrett, CPA
Director
February 23, 2000